Increase in Auxiliary duties of customs and basic excise duty on certain items

942. SHRI HARVENDRA SINGH HANSPAL: Will the Minister of FINANCE be pleased to state·

(a) whether Government have recently announced increase in the auxiliary duties of customs and a rise in the basic excise duty on certain items w.e f. December 15, 1990;

(b) if so, what are the details of the items on whcih auxiliary duties of customs and rise in basic excise duty have been imposed, and

(c) what are the reasons for increasing these duties now when the next General Budget is to be presented within next few months?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE AND DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH): (a) to (c) Government have increased the auxiliary duty of customs with effect from the 15th December, 1990. Broadly, the changes made in the rates of auxiliary duty are as follows —

(i) Goods attracting 30 per cent or 45 per cent auxiliary duty earlier will now attract 50 per cent with certain exceptions.

(ii) Goods attracting 5 per cent auxiliary duty earlier will now attract 25 per cent with certain exceptions.

(iii) There is no increase in auxiliary duty on crude oil as well as on goods exempted from auxiliary duty earlier, with some exceptions.

(iv) For certain areas like export thrust industries, energy sector, pollution control etc. there is no increase in the rate of auxiliary duty.

Excise duty on soda water and aerated water (soft drinks) has been increased with effect from the 15th December, 1990 as follows —

Item	Rate of basic excise duty (per bottle of 200 ml or less)	
	Earlier rate	New rate
(i) Soda water . . .	*26 paise	50 paise
(ii) Aerated water .	*53 paise	75 paise

*(There have been suitable increases in excise duty on higher capacity bottles a'so)

The basic excise duty on certain man-made fibres and yarn has been increased with effect from the 15th December, 1990. The major changes in this regard are as follows:—

Item	Rate of basic excise duty	
	Earlier rate	New rate
	(Rs. per Kg.)	(Rs. per Kg.)
1	2	3
Acrylic fibre	7·50	9 24
Viscose fibre	8·50	10 50

1	2	3
Polyester fibre	8 50	10 50
Polyester filament yarn . .	55·00	70 00
Nylon filament yarn . . .	50 00	63·00
Viscose filament yarn . .	9·00	12 00

The above measures had to be taken without waiting for the General Budget keeping in view the need for additional resource mobilisation in the wake of adverse fiscal imbalances and the balance of payments situation.

India's trade with Iraq

943. SHRI HARVENDRA SINGH HANSPAL: Will the Minister of COMMERCE be pleased to state

(a) whether India's trade with Iraq has come to a standstill after the Gulf crisis,

(b) if so, what are the details of the projects and the companies affected as a result thereof;

(c) whether Government propose to engage those concerns to have trade with other countries, and

(d) if so, what are the details in this regard

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SHANTILAL PURUSHOTTAMDAS PATEL) (a) Yes, Sir

(b) to (d) As a result of present situation in the Gulf region six construction, one turn-key and three consultancy projects under execution in Iraq, are affected Export of items like engineering goods, tea, spices and chemicals etc to Iraq are also affected

Export Promotion Councils/Commodity Boards have been asked to explore alternative markets for their products. Feedback received from the Indian Missions in the West Asian region regarding possibilities of increasing exports has also been disseminated to the Export Promotion Councils. Alternative markets for project exports are also being explored.

Appointment of Industrial Credit and Investment Corporation of India by BIFR for studying viability of sick units

944 SHRI HARVENDRA SINGH HANSPAL Will the Minister of FINANCE be pleased to state

(a) whether the Board for Industrial and Financial Reconstruction (BIFR) has appointed the Industrial Credit and Investment Corporation of India as an operating agency for studying the working and viability of the sick units;

(b) if so, what are the details of the sick units which will be undertaken for studying the viability; and

(c) what steps Government propose to take to review the working of the sick units in the country and suggest remedial measures?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE AND DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH) (a) to (c) The Board for Industrial and Financial Reconstruction (BIFR) has notified the Industrial Credit and Investment Corporation of India (ICICI) as one (among many) of the Operating Agencies under the Sick Industrial Companies (Special Provisions) Act, 1985. The Act empowers the BIFR, in respect of a sick industrial company referred to and registered with it, to require any Operating Agency, to